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IN THE

Supreme Court of the United States

OCTOBER TERM, 1962

No. 160

LA MAUR, INC., *Petitioner*,

v.

L. S. DONALDSON COMPANY and G. BARR AND COMPANY, *Respondents*.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Eighth Circuit

BRIEF FOR THE RESPONDENTS IN OPPOSITION

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OPINIONS BELOW

The opinion of the District Court (Pet. App. 48)* is reported at 190 F. Supp. 771, 128 USPQ 216. The opinion of the Court of Appeals for the Eighth Circuit (Pet. App. 23) is reported at 299 F. 2d 412, 132 USPQ 486.

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* Pet. App.—designates the Appendix printed in the back of the Petition.

JURISDICTION

The jurisdictional requisites are adequately set forth in the Petition.

QUESTIONS PRESENTED

1. Did the Court of Appeals do anything improper in reversing the judgment of the District Court where it held the findings of the District Court on the issue of invention were clearly erroneous?

2. Was it not proper for the Court of Appeals to consider the statutory presumption of the validity of a patent as being rebutted, where the testimony of petitioner's own patent expert showed there was much pertinent prior art not before the Patent Office, and such pertinent prior art was erroneously not considered by the District Court?

3. Did the Court of Appeals err in holding, in this case, that there is no invention in the mere substitution of one hair fixative resin material for another in a patented combination *where the use of such alternative hair fixative material was taught by the prior art?*

STATUTES INVOLVED

The pertinent provisions of FRCP 52(a), 35 U.S.C. Sec. 282, and 35 U.S.C. Sec. 103 are set forth in the petition at page 3.

STATEMENT OF THE CASE

This is an ordinary patent infringement action involving only the usual issues of validity and infringement. The case presents neither unsettled questions of law nor, indeed, any issues of importance to anyone except the parties involved.

Petitioner La Maur, Inc. (La Maur), corporate owner of Spiegel Patent 2,871,161, sued respondent

L. S. Donaldson Company (Donaldson) for patent infringement, because of the sale by Donaldson of certain aerosol hair sprays. Respondent G. Barr and Company (Barr), an aerosol loader and manufacturer of the allegedly infringing aerosol hair sprays, intervened and carried the defense.

(La Maur then asserted a second cause of action against Barr, charging Barr with unfair competition by misappropriation of trade secrets. The District Court held that La Maur had not proved the trade secret cause of action (Pet. App. 73), and the Court of Appeals affirmed this holding (Pet. App. 44). Petitioner does not mention this aspect of the case below and has abandoned it. We mention it only because the opinions of both the District Court and the Court of Appeals refer to it in detail, and because the treatment of this aspect of the case provides an illustration of the meticulous care with which the Court of Appeals studied the findings of the District Court and considered all the evidence in the case before rendering its decision in this case.)

In both the District Court and the Court of Appeals there were three main distinct grounds of defense strongly urged by respondents against the charge of patent infringement. The District Court held against each of the main grounds of defense and found that the Spiegel patent was valid, that the patent claims were definite, and that the hair sprays in question infringed the patent claims. Before the Court of Appeals, respondents again argued the same three main grounds of defense, namely

(a) The Spiegel patent was invalid under 35 U.S.C. Sec. 103

(because the District Court did not consider the most pertinent prior art; the substitution

of polyvinylpyrrolidone (PVP) for shellac in an aerosol hair spray follows the pattern of the art; there is a file wrapper estoppel against the District Court's construction of the invention; the District Court was concerned with the wrong art; and, Spiegel merely applied the ordinary skill of the art;)

(b) The patent was invalid under 35 U.S.C. Sec. 112

(because the claims are indefinite under any construction since no limits are found therein; even if the polymer chemists could predict the boundary area, the claims are indefinite because no prediction is possible without extensive experimentation; the indefiniteness is real and not hypothetical, since even plaintiff does not know what would infringe; definite claims were possible; and, the specification does not comply with the statutory requirements;)

(c) There was no infringement of the patent claims

(because there is no literal infringement; defendant's VP/VA copolymer aerosol hair sprays are not the legal equivalent of the claimed PVP aerosol hair spray and, defendant's VP/VA copolymer aerosol hair spray is not a diluted form of the claimed polyvinylpyrrolidone hair spray.)

The Court of Appeals found for respondents on the first of the three main grounds of defense and thereupon reversed the District Court without considering the other two main grounds (Pet. App. 42). These, respondents assert, are equally as valid reasons for

reversal of the District Court as the ground the Court of Appeals did consider and accept.

The present suit is the only suit filed for infringement of the Spiegel patent that ever actually has gone to trial; and the only other infringement suit pending is in the very same district in which the instant suit was brought. Thus, there is now no conflict of decisions on the validity of this patent nor any present likelihood of any future conflict of decisions.

Further, this Court should be informed that the patent in suit no longer exists. It was surrendered on 1961 August 8 (subsequent to the date of the District Court opinion) as required by 35 U.S.C. Sec. 252, when Reissue patent 25,022 was issued in its place. The reissue patent differs from the patent here involved by slight differences in the specification and common claims, and in containing two additional claims. Any future litigation by petitioner could only be on the reissue patent, and would present additional reasons for invalidity not here involved.

ARGUMENT

1. The Court of Appeals Reviewed the Case Properly

The Court of Appeals reviewed the case properly in conformance with the recognized standards and methods of review. FRCP 52(a) provides that "Findings of fact shall not be set aside unless clearly erroneous, . . ." and the Court of Appeals said (Pet. App. 41):

> "It is the holding of this Court that the plaintiff's patent is invalid in that it is lacking invention and the finding of the Patent Office and the finding of the trial court that the plaintiff's patent did constitute invention were clearly erroneous."

Petitioner refers (Pet. 7, 11)* to the case of *Graver Tank & Mfg. Co.* v. *Linde Air Prod. Co.*, 336 U.S. 271, 274, in attempting to argue that a Court of Appeals has no right critically to examine the evidence presented by the record. However, as was said in the concurring opinion of Mr. Justice Douglas in *Great A. & P. Tea Co.* v. *Supermarket Equipment Corp.*, 340 U.S. 147, 155:

> "The standard of patentability is a constitutional standard; and the question of validity of a patent is a question of law . . . The Court fashioned in Graver Mfg. Co. v. Linde Co., 336 U.S. 271, 275 a rule for patent cases to the effect that this Court will not disturb a finding of invention made by two lower courts, in absence of a very obvious and exceptional showing of error. That rule, imported from other fields, never had a place in patent law. Having served its purpose, in Graver Mfg. Co. v. Linde Co. it is now in substance rejected. The Court now recognizes what has long been apparent in our cases: that it is the 'standard of invention' that controls. That is present in every case where the validity of a patent is in issue. It is that question which the Court must decide. No 'finding of fact' can be a substitute for it in any case."

The Court of Appeals did no more than its plain duty in reviewing the findings of the District Court which it then held to be clearly erroneous mainly from the standpoint that the District Court had not properly analyzed of what the plaintiff's alleged invention actually consisted. The alleged invention, which is a mere mixture of three old ingredients, is not complex, and the chemistry is quite incidental, there being no reaction involved. Contrary to petitioner's assertion (Pet. 8), the fundamental difference between the District Court findings and what was said by the Court of

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* Pet.—designates Petition, page.

Appeals is due to the fact that the Court of Appeals found pertinent undisputed evidence which the District Court erroneously ignored. This pertinent evidence consisted of prior art not known to the Patent Office (R-543-545)* which proved that the mythical standard "person having ordinary skill in the art" knew much more than either the District Court or the Patent Office credited him with knowing.

Petitioner argues (Pet. 8-10) "there is no evidence at all" to support the "findings" of the Court of Appeals that: shellac and PVP are similar; the Janistyn reference suggests the substitution of PVP for shellac; and, it was common practice to use alcohol as a solvent to render resins compatible with Freon which were otherwise incompatible with Freon. There is no truth to petitioner's argument. The evidence supporting each of the above so-called "findings" is clearly shown in the record. It should first be explained that part of the shellac prior art is concerned with "Elastolac" which is a water-soluble form of shellac (Def. Ex. HH at EV p. 215, R-595)** that respondent Barr had packaged and sold for use as a hair lacquer, first in plastic squeeze bottles and then as an aerosol hair spray with ethyl alcohol and Freon (R-580, 543, 589-591). Barr had also packaged in aerosol form and extensively sold shellac with alcohol and Freon for use as a hair lacquer (R-544, 591). The Janistyn reference teaches that PVP (under its German trademark "Luviskol") and Elastolac (the water-soluble shellac) are both useful as hair fixative materials to be applied by combing and brushing (Def. Ex. S at EV p. 168, translated at R-314-317, R-326). Shellac is a polymer (R-561) as is PVP (R-166), and vinyl polymers (of which PVP

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* R—designates Record, Volume I, page.

** EV p.—designates Exhibit Volume, page (i.e., Record, Volume II).

is one) were said, in a book edited by petitioner's expert, Dr. Mark, (Def. Ex. W at EV p. 177-178; R-328) to be "suitable . . . as substitutes for . . . shellac". Barr knew, used and had even disclosed to La Maur, the principle of using water-free alcohol as a co-solvent in order to render compatible, with the propellant, resins otherwise insoluble in Freon propellents (R-93-94, 591; Def. Ex. I and J at EV p. 157-158).

This is not a case where the credibility of any witness was impugned. If the Court of Appeals disagreed with Dr. Mark, petitioner's polymer expert, on the legal conclusion of whether invention was or was not involved, it is because the patent is not concerned with the art of polymer chemistry. It is concerned only with the art of formulation of a useful hair spray. Dr. Mark is only an expert in the field of polymer chemistry (R-162); he is not a hair spray specialist (R-286, 309) or an expert in the art of Freon aerosol propellents (R-305), and he never testified from the viewpoint of a man skilled in the art of formulation of a useful hair spray, because he was not such a man (R-286), nor was he aware of what such a man would know.

2. The Statutory Presumption of Validity Was Rebutted by the Evidence

Petitioner argues that its patent has been denied the benefit of the 35 U.S.C. Sec. 282 statutory presumption of validity. But the statutory presumption of validity, like any other presumption, is subject to being overcome by evidence.

Petitioner contrasts a particular statement of the Court of Appeals with a finding of fact made by the District Court and alleges the Court of Appeals committed error. The statement of the Court of Appeals, which was quoted at Pet. 12 reads:

> "It does not appear that it was made known to the Patent Office that prior to the plaintiff's entrance into the field a composition containing the ingredients of shellac resin, anhydrous alcohol and Freon was being manufactured and sold to retailers and the general public."

The specific contrary finding of basic fact made by the District Court which was quoted at Pet. 13 reads:

> "This presumption of validity is entitled to especially great weight where, as in this case, the prior art relied upon by the claimed infringer was carefully considered by the Patent Office."

That the District Court made a clearly erroneous finding is proven by petitioner's own patent expert, Juettner, who was asked certain questions, and was then given ample opportunity, especially to study the file history of the Spiegel patent and the file of the interference in which it was involved in order to answer these questions (R-389, 390). The pertinent testimony reads as follows:

> "Q. Does the file history of the Spiegel patent reflect that the Patent Office at any time during the pendency of the application had any knowledge that before Spiegel entered the field shellac had been commercially used as a resin ingredient in a hair lacquer dispersed from an aerosol package containing a substantially water-free alcoholic solution of a water-soluble shellac and Freon?"
>
> "A. I would have to answer that question the same. It would be no in all the particulars." (R-544)

During the trial Mr. Field, counsel for petitioner, and Mr. Laurence, counsel for respondents, agreed there was no dispute about the fact that, before Spiegel entered the field, Barr had packaged and extensively sold aerosol hair sprays comprising shellac, substantially water-free alcohol, and Freon (R-591).

In spite of the testimony of its own patent expert, petitioner argues (Pet. 13) that there is evidence to the effect that the Patent Office was aware of Barr's commercial shellac aerosol hair spray, Liquinet; and refers to a July 1949 magazine article describing the introduction on the market of an aerosol hair preparation. This article, which is reproduced at P.R.R. 45,* states only that Liquinet is a hair dressing preparation in solution with Freon as a propellent. Note, however, it does not show what the resin ingredient thereof is or that alcohol is present. Thus, while the Patent Office was aware of the fact that a product called Liquinet was sold, it was completely unaware of what Liquinet was. Petitioner is indulging in sophistry, not honest argument.

Petitioner seeks to rely solely on presumptions. Presumptions cannot stand before contravening actual evidence. If the statutory presumption of validity were not rebuttable, then the myriad of cases in which patents have been held invalid are all wrong, which obviously is not the case.

3. There Is No Conflict of Decisions

Petitioner argues (Pet. 17) that "the ultimate conclusion of the court below was that Spiegel was not entitled to a patent because all he did was 'to substitute one type of resin ingredient for another'." Petitioner conveniently omits the balance of the sentence quoted where the Court of Appeals went on to say (at Pet. App. 40) "and that such an alternative had been earlier taught by Janistyn." Thus there is no conflict of legal doctrine with other courts and no error in the court's statement of the applicable law taken from its prior decision in *Insulite Co.* v. *Reserve Sup-*

* P.R.R.—designates Petition for Rehearing Record Supplement, page.

ply Co., 60 F. 2d 433, 437, since there can be no "invention", but only the exercise of the ordinary skill of the art, in the mere substitution of one material for another under the particular factual circumstances of this case where the interchangeability of the particular materials for use on hair was known to and suggested by the prior art. In fact, in *Insulite Co.* v. *Reserve Supply Co.*, 60 F. 2d 433, 437, the next sentence of text following that quoted in the instant opinion reads:

> "In the light of the prior art, we are of the view that there was no invention disclosed by claims 1 to 4 of the Ellis patent. They were not the product of invention, but rather of mechanical skill."

Petitioner's alleged conflict of decisions does not exist.

4. No Public Policy Considerations Are Involved

Petitioner argues (Pet. 18-20) that public policy considerations strongly favor the granting of the writ. However, the specific reasons advanced do not concern the public in any way, but are only for the private interest of this particular petitioner.

CONCLUSION

Not one of the various considerations governing review on certiorari enumerated in this Court's Rule 19 actually is present in this case. The petition is wholly without merit and should be denied.

Respectfully submitted,

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